REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, JULY 13, 2026, AT 7:00 P.M.

Mayor Fischer called the meeting to order at 7:00 P.M.

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Fischer, Mayor Pro Tem Casey, Council Members Gurumurthy, Heintz, Martinez, Smith, Staudt

ALSO PRESENT: Victor Cardenas, City Manager
Danielle Mahoney, Assistant City Manager
Tom Schultz, City Attorney

APPROVAL OF AGENDA:

CM 26-07-085 **Moved by Casey, seconded by Martinez; MOTION CARRIED: 7-0**

To approve the agenda as presented.

Roll call vote on CM 26-07-085 **Yeas: Casey, Gurumurthy, Heintz, Martinez, Smith, Staudt, Fischer**
Nays: None

PUBLIC HEARINGS: None

PRESENTATIONS:

1. **Priority Waste - Sam Caramagno**

City Manager Cardenas said per Council's discussion at the last meeting, Mr. Caramagno accepted the invitation to come present to Council the challenges the City of Novi has faced with their partners at Priority. Mr. Caramagno is the City's main contact at Priority, so City Manager Cardenas turned the time over to him to articulate what has been going on.

Mr. Caramagno greeted Council and started off by apologizing. He said it has been a rough beginning of the season for them in spring and early summer. They've had their share of challenges throughout Metro Detroit, including the City of Novi. He said as many of them recall and have seen, their CEO was removed from the company late spring this year. They ran into some financial problems and so he was taken out of control. They have brought in a new CEO, Aaron Johnson. He is a fourth-generation rubbish man from Waste Management. He is now in the role of CEO for Priority Waste. They've also got TPG as a financial partner with them, who brought in $160 - $170 million to Priority Waste to help them cure some of their financial problems. He said some of those problems were brought on by the prior CEO and the mismanagement of some finances with this company. He said he could tell Council that a leading contributor to their issues, lack of service, delayed service, etc. has been their equipment. They have bought 91 brand-new pieces of equipment, rolling stock pieces of equipment, that are slowly coming in right now. They've got 35 in Metro Detroit that have already arrived. They expect another

30 by this time in mid-August, and the rest by the end of September. Those trucks, when they put them on the street, make a tremendous difference. There are less leaks on the streets, they are far more productive than the current equipment they're using. That's a big piece of what they're doing. He said some of their older equipment was fairly run down and he said they'd heard the GFL story. The fact that they had financial troubles did not allow them to fix their trucks and for that matter, they couldn't get parts and tires and things of that nature. The mechanics and the operating staff were doing the best they could to keep this fleet rolling, which kept them collecting at least through Saturday in some cases. That's where they're at now. He said the Novi residents have experienced some cart, trash and recycling cart delays. That all stems from their financial concerns that they had, just two months ago, not even. He said they were 10,000 carts in the hole for delivery across Metro Detroit. He said when Aaron came in, he saw the problem, bought 19,000 carts and they've got that number down from 10,000 to just about 3,500 carts throughout Metro Detroit that are being delivered every day. They've brought in additional delivery folks to bring that down to eventually zero here very soon. He said their call center was experiencing dramatic delays. Obviously, when they cannot finish the routes, it creates all kinds of phone calls that were coming into their call center and, of course, the City of Novi as well. When that happened, they could only handle about 1,200 – 1,300 calls at their call center. They were getting close to 4,000 phone calls per day. They have partnered with ACS, a call handling company out of Troy, Michigan. They are taking their cart request calls and their missed pick-up calls. The numbers are declining now as they put these new trucks on the street. They're not getting anywhere near 4,000 calls anymore. ACS is handling their cart calls and missed pick-ups, but those calls are rapidly declining across Metro Detroit.

Mr. Caramagno said when they fall behind, which they did not do last week in the City of Novi, but when they do, they recover the very next morning anything that got missed. After all, they know best what they've missed. They know right away what they didn't finish the night before and they'll come right back after that the next day. He said that was the summary of what's happening. They are working hard this summer to fix these problems. They know what the issues are and they are determined to get it straightened out rapidly. He would say, as far as the timeline goes, by the end of July, and he knows that's two weeks away, but by the end of July, they should have no more service problems. He said he'd be happy to answer any questions.

Member Gurumurthy thanked Mr. Caramagno for being there at the Council meeting and explaining what is happening and some of the solutions they are doing. She said the Public Utilities Committee met and she thanked CIO Rob Petty and the team for the dashboard they have to track when residents call in to the City with an issue. They looked at the top 10 complaints. Meadowbrook Glens had about 3,833 delays or missed pick-ups, Village Oaks had more than 1,000, Whispering Meadows had more than 1,000 and it goes on. She noted that this is not the actual number, this is just the number of calls that were received. She asked what some of the root causes are and if there is a plan, for example with Novi, if there are delayed pick-ups because so many trucks were missing that they were not able to attend to the Novi area. She asked if they know exactly what those are and then can they show Council in a plan how that will be completely done.

The end of July is pretty close. She asked him what his level of confidence is that this would be done.

Mr. Caramagno said they can get Council more information, but he said those trucks that are coming in will make a dramatic difference. They are brand new pieces of equipment. They're servicing the community now. They're bringing them in. Primarily, the trucks that are coming in are recycling trucks. He said they're going to put those brand-new trucks on the recycling routes and they'll take the trucks that are on the recycling routes. In many cases, they're two-person trucks and they belong on yard waste. He said the majority of their delays have been on yard waste. That is part of their plan to get Novi and many other cities back in shape. Member Gurumurthy asked how many trucks are assigned to the City of Novi. Mr. Caramagno said they have five, six or seven trash trucks in the City of Novi depending on the day. He said there are three recycling trucks and four on the big day. There are basically two, sometimes three yard waste trucks. Member Gurumurthy asked if they are going to increase these numbers to help with the delays or what their plan is. Mr. Caramagno said no, they shouldn't need to. If they can put the correct number of trucks on the road and make them work all day, that's more than enough to get this job done by 4:30 or 5:00 every day. The problem has been the trucks have been breaking down and simply not getting on the road and that creates a huge problem. He said one trash truck picks up close to 1,000 homes. One yard waste truck goes by about 2,000 homes. When they miss the route by one truck, you can see how far behind that puts them. As they put the proper trucks on the road, they will minimize those calls and finish their routes on time each day. Member Gurumurthy said the number of trucks is not the issue, it's the maintenance or the condition of the trucks. Mr. Caramagno said maintenance has been an issue. He said they've heard the story where they bought the trucks from GFL. He said that story is old, but the ongoing lack of maintenance of these trucks with their financial concerns have been the problem. He said Priority Waste just about ran out of money in September of last year. They were patching and doing all they could to get their trucks running. The CEO was replaced. They got their influx of money, $170 million, which allowed them to pay down a lot of debt, fix their trucks and buy new trucks.

Member Gurumurthy asked him about the staffing. Mr. Caramagno said staffing has not been an issue. The shame of the matter is that almost daily, they have been sending driver's home. They'd come to work, but they did not have the trucks to put them in, and they'd have to send them home. He said the trucks are coming in already. They ordered 91 brand-new trucks and about 35 of them have come in so far. These trucks are to serve Metro Detroit. They are expecting the other 60 to come in. Member Gurumurthy reiterated that they have the new trucks they need and they are already starting to run, so the issue will be done by end of July. Mr. Caramagno said yes, absolutely yes. Member Gurumurthy thanked him and said she was happy to see that it's the end of July. She asked if there are other issues they think they won't be able to stabilize for the Novi residents. She asked if there are any other issues related to the delays, other than the maintenance that he had talked about. Mr. Caramagno said no, that was the primary delay. He said when Priority Waste came from GFL, Priority Waste had a different theory of how they managed their routes. They managed the routes from a call center over in Clinton Township. All the trucks have six or seven cameras on them. Their dispatcher

dispatches the trucks from their corporate Clinton Township office. In days prior with Waste Management and GFL, they had route managers on the street. The route managers would be in the neighborhoods, driving around, watching the trucks. Priority had a different methodology for that, and they took the route manager out of the picture and went to that LDC format, which wasn't good. They've re-dispatched their dispatchers back to the site. They see their drivers and they talk to their drivers one-on-one every day. They're in the yard watching them do their inspections of their trucks. That is a big step in the right direction. It is something that couldn't have happened before, but it's happening now.

Member Gurumurthy said Meadowbrook Glens had more than 3,500 delays that they know of. She asked if there is a plan to specifically focus on them. She said it feels like there is a lot of delay happening there due to whatever reason. She asked if there is a thought process or a strategy to prevent continually missing areas or is the thinking that the new trucks will take care of all of the subdivisions. Mr. Caramagno said the new trucks will take care of all of these problems. He said they will share their top 10 as well because that'll be a good data point for Council to look at. Member Gurumurthy said yes, she would appreciate them looking into that. She also requested that Priority Waste send a representative to the Public Utilities Committee meeting each month until this issue has been stabilized. She would like to ensure they are all tracking the same things. She said whenever there is a delay, they get an email with the missed area highlighted. She thinks it needs to be more, perhaps a weekly total count of delays by subdivision. She said if they get a weekly report, they'll be able to compare week to week and see if the delays are decreasing. That's how they can track that they are getting to a stable level versus just everyday delays. Mr. Caramagno said he understands that she'd like more factual information. Member Gurumurthy said they can send him the schedule for the public, but she was thinking across the board for the Council, through the City, having him send them a weekly status. She asked him to send staff a weekly status report of how they're doing with the delay count by main areas or however they organize it. She would like Priority to work with the City of Novi on that. She requested that to happen on a weekly basis so they can see how they're trending. Mr. Caramagno said they would get Council something for that.

Member Staudt said last week, for about an hour and half, he followed several of their trucks. The conclusions Mr. Caramagno said are pretty accurate. He said their equipment was completely beaten down on the trucks that he followed. The Priority employees were extraordinarily cooperative and worked with the residents. He thinks one of the things they should change their policy about is large items. He asked Mr. Caramagno about their capital infusion. He asked if it came through equity ownership or if it is more debt. Mr. Caramagno said it's equity ownership. Member Staudt clarified that they bought into Priority Waste. Mr. Caramagno said they bought into the company. Member Staudt asked what portion of the company they own now. Mr. Caramagno said he didn't know the percent, but they are the majority owner of Priority Waste. TPG is the majority owner of Priority Waste. Member Staudt clarified that Mr. Caramagno and his team are basically operating it on TPG's behalf. Mr. Caramagno said yes, they are operating it on TPG's behalf. Member Staudt said he knows because he was on the committee that was part of this contract several years back, that the City of Novi has an extraordinary value with

the contract that they have with Priority Waste. It will not last forever, but he was a little more sympathetic to what Priority has gone through. He wasn't quite sure how they were ever going to pay for things with the contract that they had with them. He said he doesn't know other communities, but if they had contracts like that with other communities, there wasn't a lot of money available to invest in equipment. He encouraged Priority to keep the improvement up and said the City of Novi will be watching.

Member Smith agreed with Member Staudt that the Priority Waste employees are great. They are out there in the heat, in the snow, wrestling washing machines and all that stuff. He is hoping that all they've outlined at the meeting brings the quality of your equipment up to the quality of your employees and gives them some good stuff to work with. He asked how big the Priority fleet is in total. Mr. Caramagno said their residential fleet is 800 trucks. Member Smith asked if that would stay about the same as they retire the old beater trucks. Mr. Caramagno said they will be retiring a lot of those old trucks. They've been past their useful age, at least a lot of them are. He said in Metro Detroit, they've been probably 40-50 trucks short a day which was causing all that carryover. He said 40 of these brand-new trucks will just fill that void and the other 50 will then replace a lot of substandard equipment and then allow them to fix some of the stuff that just really needs to be down and refurbished. Member Smith said that gives them time when the trucks are off the road to work on the trucks and get them back in shape. Mr. Caramagno said they will be able to do that over the winter with the money. He reiterated that when they had their financial hardship, they couldn't afford parts and that was a huge, tremendous problem. He said they're passed that right now. Member Smith then asked if the trucks use diesel or natural gas. Mr. Caramagno said diesel. Member Smith thanked him and said he hopes to see the numbers going in the right direction on the Public Utilities' dashboard.

Member Heintz said is a member of the Meadowbrook Glens subdivision, so he is in one of the areas that has been strongly impacted by this. He said the past Tuesday, their trash was not picked up on their street until the following day on Wednesday morning. He said it's still something that is very real for him and the residents in his community. He is really looking forward to the improvements as Mr. Caramagno described. He said he knows Mr. Caramagno mentioned the equipment as one of the primary limiting factors. He was curious if the drop-off locations are too far away from Novi. He asked if they are the closest locations to Novi or are there locations that are closer. Mr. Caramagno said Novi's recycling goes to RRRASOC in Southfield. The trash goes to Arbor Hills Landfill. He said there was a time when they owed GFL money for disposal and they couldn't dump there. They had to haul it all the way down to Michigan Avenue and Van Born and Haggerty Road. Obviously, that takes tremendous time to go down there. It wasn't their most local option for disposal. That also contributed to delays. The money problems they had contributed in more ways than one to their delinquency. Member Heintz told him he appreciated that. He said he knows the efforts are going to be asked of Priority Waste and he appreciates them responding. He said whether it is in the interim or in general, he was curious if there are ever requests that Priority Waste might have for different ways that residents could help streamline the process of making it faster and quicker. If, for example, all the trash bins were on one side of the street, and all the recycling were on the other side of the street or if there is anything else that might speed up the process to

make things more efficient for everyone. Mr. Caramagno said there certainly are opportunities all the time. On dead-end roads, if all the carts are on one side of the street, that would be one thing. He certainly doesn't want to put any onus on the residents at this point. He wants to get their house in order and then they could talk about other things, whether the cart is facing the proper way or not, whether the cart is put out only when it's full for a recycling cart. Those types of things are efficiency helpers, but he doesn't want to put any onus on the residents now about how they can improve. Member Heintz said he agrees with that completely. He wants to make sure things are easy for the residents, but if they are happy to help whenever they can. He said he doesn't always put his trash can out because he composts at home and he doesn't have as much trash every week, so his trash is going to smell. He only puts it out when it's full and necessary. He said hopefully residents and everyone like that can have those kinds of considerations. In general, he is looking forward to helping Priority do what they do and what they need to do. He said he is looking forward to seeing the data and the information as more improvements come so they can see those in addition to hearing the improvements that Mr. Caramagno has said they are in the process of making. Mr. Caramagno said they'll see that. They'll get some detailed information to Council that will show this improvement. He is confident they'll see much more improvement going forward, even more than they've seen since Memorial Day which was probably the "bottom of the barrel" for them. Things have gotten better. Member Heintz said he appreciated that and he appreciated their staff, the ones that are out there all day long in the heat, picking up the trash and recycling.

Member Martinez said as he understands it, their numbers have shown that on average, they've been about 40-50 trucks short. He asked if that is daily across the region. Mr. Caramagno said that has been true throughout the Metro Detroit area. He said they are closing that gap daily right now. He said they had carryover. They've got a Detroit location, a Sterling Heights location, Auburn Hills, Romulus, Wayne, Flint and Saginaw. They've got locations throughout southern Michigan. He said yes, they were carrying over routes from Chesterfield to Novi to Milford to Ecorse, all over Metro Detroit and that was about 40 routes a day. He said when you don't finish, you have to go back after that material the next day and then it causes another delay and generates more phone calls that none of them want. It forces them into a Saturday recovery and sometimes Sunday which is very unfortunate for all of them. Member Martinez said it's great that they're getting more equipment. He said the 91 trucks are going to, hopefully, be a breath of fresh air for the whole operation. He wanted to confirm that they're confident that that is enough to be able to cover. Mr. Caramagno said yes, he is confident. Member Martinez said he has heard from some residents in Novi that they've run into situations where maybe half of their neighborhood gets picked up. He asked if that is usually because the trucks are getting full or because they're breaking down or are they running out of time. Mr. Caramagno said it could be any one of those three. He said sometimes the truck gets loaded and has to go dispose of whatever product it's on--trash, yard waste or recycling. Sometimes the landfills close at 5:00 p.m. If you've got a loaded truck at 4:30, you try to get it to the landfill, dump it and the landfill is closed, and you can't get in, it's an automatic stop. Then you're going to have to come back for that the next day. With proper trucks, you should be done at 4:30 or 5:00 p.m., not having to take a landfill trip to come back and get some more. He said as soon as those trucks hit the road, that

will fix the problem. Member Martinez said with land waste being the primary culprit it sounds like, he asked how many of these new trucks will be used for that or something else. Mr. Caramagno said the new trucks are primarily going to go on recycling because they're automated. The arm comes out, gets the cart, dumps it into the truck. That's a one-person truck. He said they could hire all kinds of folks because it's not a manual type of operation. He said they can expand their driver pool with that. Right now, they've got rear-load trucks, conventional trucks picking up recycling and that's a two-person operation. He said those trucks are not designed to pick up recycling carts; it's designed to pick up bulk trash and yard waste. He said they'll put those automated trucks on recycling. They'll take the rear-load trucks and put them on trash routes and yard waste routes. They're being underutilized on a recycling truck. For example, he said, a recycling truck, try as you may, all day long, you can get five or six tons of recycling picked up—regardless of the type of truck. That rear-load truck, the conventional rear-load truck that they know, that truck is capable of picking up 25 tons of material a day. When they have that truck on a recycling route, it's a complete underutilization of that piece of equipment, but they have to have something on it. He said you can see where that translation is a complete underutilization and needs to be on something where it's far more productive. Member Martinez said he understood and that was helpful context. He said any information they give to the city can help them be more effective in getting that out to the residents. This is a partnership where everyone is on the same page. They all want the same thing: trash being picked up on time. He said whatever Council and the City's team can do, they are ready to help. He said Priority just needs to communicate that. Mr. Caramagno said they'll communicate that and they'll send more information because the city deserves it and they know it. They'll get more information to the City.

Mayor Pro Tem Casey said her colleagues had asked him all the hard questions and she just wanted to say that she appreciated his transparency. She thinks most people can understand the struggles that their organization has been through. They don't like it. None of them like it when their trash is delayed because then they're dealing with it for another day. She said they don't like it when their recycling or their yard waste gets delayed because it just causes problems for them, depending on what's left. She said she thinks understanding the challenges that they face helps people. Before, she didn't know that she had the best understanding of what the problem was. She kept hearing, "Well, it's an equipment problem. Their trucks are breaking down." She didn't understand what was taking so long to get the new equipment. She didn't know if it was a production issue. Having this understanding that no, it really was a cash-flow issue, and even there was no flowing of the cash, it sounds like at one point. She just really appreciated the transparency. She said knowing that sooner would have been helpful for all of them. Mr. Caramagno thanked her for understanding that and for speaking so politely about that. He said there have certainly been challenges beyond their control. He said he could tell her that the folks that are involved in the operations at Priority Waste have many, many decades of rubbish experience. They have not seen anything like this, to this extent, ever in their careers. They've been doing this for a very long time. They've not seen anything like this. They want this fixed and they're going to get it fixed. Mayor Pro Tem Casey said she appreciated his statement of fact, and she'd leave it at that. Mr. Caramagno said he wasn't there to tell any lies. He said he was telling the truth, he was telling them where they're going and that they're going to get there. She said she would probably get yelled

at by people who said she was too nice to him. She reiterated that she appreciated his forthrightness and transparency. She appreciated that he would come and explain to Council and the residents of Novi the situation that they face and their commitment that the situation is improving and that by the end of July, it will be done.

Mayor Fischer said he has done his best to read through their contract multiple times. He asked if Mr. Caramagno believes that Priority Waste has lived up to the standards to which they are expected and contractually obligated to. Mr. Caramagno said no. Mayor Fischer asked in doing so, has the City of Novi met their standards under the contract. Mr. Caramagno said yes. Mayor Fischer asked Mr. Caramagno if he thinks it is fair that the City of Novi residents continue to pay 100% of what they say they will, without some sort of refund, credit or compensation for their company's mismanagement at the top. Mr. Caramagno said there is language in the City of Novi's contract. He said clearly, Mayor Fischer had read it. Priority Waste knows it's there. He said for their discretion, he could say that the delays Priority has experienced have been unnecessary and unwarranted. He said they have recovered everything with delay and that's the best they've been able to do so far this spring and early summer. He said he didn't know how to answer Mayor Fischer's question other than yes, the City of Novi has options that everybody is aware of. Mayor Fischer asked why the City of Novi should not pursue those options. He asked if Mr. Caramagno were in his situation, or any other Council member's shoes, what would he do? Mr. Caramagno said they've had communities that have explored options, penalties, fines and language. They've had others that have not. They've talked about it. Others have not decided to pull the trigger on that yet. They're giving Priority Waste the benefit of the doubt and time to fix the problem. He said the City of Novi has the option to withhold money or serve penalties to them. They would prefer that the City of Novi have a little more patience with them and allow them to fix the problems. Mayor Fischer asked, "Have the residents of Novi not been patient?" Mr. Caramagno said they have been patient. Mayor Fischer said since switching, they've talked about the GFL trucks, they've heard excuses about labor at one point, they've been given excuses about equipment, now it's cash flow. He said now Priority is asking for another two weeks. He asked if the residents have not been patient enough. Mr. Caramagno said sure they've been patient. He said he was not going to disagree with Mayor Fischer and he would not tell him any lies. He said they have been patient and Priority Waste is working very hard to fix this problem. Mayor Fischer said he believes the residents of Novi have been very patient as well. He appreciated Mr. Caramagno coming and sharing a little more of the transparency. He said Mayor Pro Tem Casey hit the nail on the head. This is information that should have been shared well long ago. He doesn't know why they're sitting in the middle of the situation and finally hearing about cash flow issues at one of their major vendors. He said to Mr. Caramagno that Priority Waste is one of the City of Novi's largest suppliers. He asked him if he recognized that. Mr. Caramagno said of course he does; they are a major vendor for every city they service. Mayor Fischer said for the amount of money they spend with Priority, the information needs to be a little more forthcoming. He said he is excited to hear that maybe they're looking at a light at the end of the tunnel by the end of July. He said his patience has run out as far as pursuing those legal options. He said if this, which Mr. Caramagno had told them that night, does not come to fruition by August 1, 2026, he said he will be asking all of his colleagues to sign up as soon as possible to pursue every avenue under their contract for those

penalties. Mr. Caramagno said he would not say that's unreasonable. He appreciated the additional patience for the rest of the month of July. Mayor Fischer said he appreciated Mr. Caramagno coming and he looks forward to the additional information that was requested. Hopefully, come August 1st, they will not be getting any emails from him at all because there will be no issues to report. Mr. Caramagno said he is hoping for the same thing.

CITY MANAGER REPORT: None

ATTORNEY REPORT: None

AUDIENCE COMMENTS:

Anne Brouwer, 43647 Westridge Lane, Northville, MI 48167, said she lives in the City of Novi. She was there to bring Council's attention to a petition that was signed by 41 residents of the Westridge Downs neighborhood in Northville. She read the petition: We, the undersigned residents and homeowners of the Westridge Downs subdivision, comprising Galway Drive and Westridge Lane, formally submit this petition regarding the upcoming sidewalk repair and tree removal project scheduled to begin in the middle of July. We fully support maintaining safe, accessible, and ADA-compliant sidewalks, but we're also deeply concerned by the sudden notification of the imminent removal of mature, healthy canopy trees that define the character, environment and property values of our neighborhood. As City Council is the governing body responsible for these infrastructure decisions, we respectfully request the following actions before any physical work commences: an administrative pause, a temporary hold on tree removal in Westridge Downs to allow residents time to review the forestry assessment and engineering reports (which to her understanding, has already been granted), community consultation, a dedicated meeting between neighborhood representatives, city engineering and the city forester to review the scope of work and establish transparent communication, an exploration of alternative remedies, and a collaborative review of alternative engineering solutions such as sidewalk shaving, root pruning, or flexible paving materials that preserve mature root systems while eliminating trip hazards. If removal is deemed absolutely necessary, we request a stretched-out timeline over several years rather than an immediate clear cutting, allowing the neighborhood landscape to adapt and new planting to be established. We present this petition in a spirit of constructive civic engagement, seeking a balanced solution that achieves both safe pedestrian infrastructure and environmental preservation.

Sarah Lucas, 43614 W. Westridge, Northville, MI 48167, said she and her husband have lived and raised their family in the Westridge Downs subdivision for 24 years. She was there because 13 mature maple trees in their subdivision are scheduled to be removed. These are trees that cool their homes, clean their air, shelter their children and pets and save the city real money every single year. She said she was asking them to put a hold on that work until they have done this right. These are not ornamental trees; they are working infrastructure. She said mature maples like these reduce air temperatures by two to nine degrees Fahrenheit through shade and evaporative cooling. That is not a small thing in a Michigan summer. Those degrees translate directly into lower air conditioning bills for

every household in their subdivision. The US Forestry i-Tree analysis projects over $5,000 in combined energy savings across just these 13 trees over 20 years. Beyond their utility bills, when those trees are gone, Westridge Downs becomes a heat corridor. The pavement bakes. The air above it shimmers. Parents think twice about letting their children play outside in July. Dog walkers cross the street to the shaded side, except there won't be one anymore. Elderly residents and people with respiratory conditions feel it first and feel it hardest. Shade is not a luxury; it's a public health resource and once a mature tree is gone, it takes 20-30 years to grow back. These 13 trees remove ozone, nitrogen dioxide, carbon monoxide, and fine particulate matter from the air in their subdivision every single day. The US Forestry i-Tree data also projects over 72,000 pounds of CO_2 equivalent absorbed and measurable reductions in the pollutants linked to asthma and heart disease in a neighborhood where people are outside walking, running and raising families. These trees also intercept more than 700,000 gallons of rainfall over 20 years, water that would otherwise run off into their storm drains and strain the city's infrastructure. That stormwater management has real dollar value to public works. Removing these trees means the city absorbs that cost instead. Replacing the mature trees is also expensive. The cost of purchasing, planting, staking, watering and maintaining 13 new trees, trees that will not approach the level of maturity for function for two-three decades. It's a significant public expenditure. The fiscally responsible question is not just what removal costs are today, but what it costs the city over the next 30 years. She said safe sidewalks are important to her, but so are the mature trees and the fabric of her neighborhood. There is absolutely no reason the two cannot coexist together. She said there are other solutions available if they would please take the time to investigate.

Sean Lucas, 43614 W. Westridge Lane, Northville, MI 48167, said he is Sarah Lucas's husband. He said he was there to talk about the same project to repair the sidewalks, but he was more interested in the decision process for making those repairs and the alternatives. It seems like currently, as far as they can see, only one alternative has been suggested for repairing these sidewalks due to root involvement, and that has been to cut down the encroaching trees. It would be good to revisit that decision-making or at least provide some transparency into the process and the decision for making the repairs since other municipalities in Michigan have chosen to implement other alternatives like root bridging. East Lansing, Ann Arbor, Birmingham and Grand Rapids are several of those. Now, even in their neighborhood about four or five years ago, the city replaced sidewalks and they did that through shaving tree roots and keeping the trees intact. Right now, in front of their house, they have two trees where they did just that and they both look the same. You can't tell that one is any different than the other. That method seemed to have worked on their house. He requested that the committee revisit the repair process to include alternative methods and also incorporate a way to monitor the success of these repairs long-term to support future decisions for sidewalk repairs. He'd be happy to help in any other way, like gathering information from other municipalities to quickly analyze any alternatives.

Dan Pelchat, 13261 Sumac Lane, South Lyon, MI 48178, introduced himself as Novi's Democratic candidate for the Michigan House District 49. Basically, the City of Novi precincts 11, 12 and 13 fall into this seat. This is a unique seat because it is split between

Livingston County and the communities in Oakland County that include Lyon Township, Walled Lake, Wixom, a piece of Commerce and a piece of the City of Novi. He said he wanted to share a little background about himself. He is 43 years old. He is a husband and father of two. He is the former mayor in the City of South Lyon from 2017 – 2023. He has worked in public schools in IT for the South Lyon Community School District for over 25 years. He said he was trying to get his name out there and knock on some doors. He said they've picked up a couple of really important endorsements to him that he wanted to mention. He said he comes from a union family. They have been endorsed by UAW Region 1 and Planned Parenthood. H

CONSENT AGENDA REMOVALS AND APPROVALS:

CM 26-07-086 Moved by Casey, seconded by Gurumurthy; MOTION CARRIED: 7-0

To approve the Consent Agenda as presented.

A. Approve Minutes of:
June 22, 2026 - Regular Meeting

B. Approval of resolution recognizing Feline Fund as a nonprofit organization operating in the City of Novi for the purpose of obtaining a charitable gaming license from the State of Michigan.

C. Approval of amendments to the contracts for the City Manager, City Clerk, and City Assessor as prepared and approved as to form by the City Attorney.

D. Approval of Acceptance of Department of Public Works (DPW) Asset Management Policy for American Public Works Association (APWA) Accreditation

E. Approval of an Agreement between the City of Novi and the City of Northville for an emergency connection to public water in order to provide a secondary source of water at Taft Road.

F. Approval of a warranty deed to dedicate 60 feet of half-width right-of-way along the south side of Thirteen Mile Road from Novara Properties, LLC as part of the Fresh Smart development (parcel 50-22-11-126-004).

G. Approval to amend the Water Service Connections contract with Murphy Pipeline Contractors, the City's water service installation contractor, to adjust unit costs to reflect an increase in material costs.

H. Approval of Resolution Declaring Necessity and Tentative Intent to Proceed with Project and Setting Public Hearing for Main Street Area Streetlighting and Streetscape (Resolution No. 2)

I. Approval of claims and warrants – Warrant 1205

Roll call vote on CM 26-07-086 **Yeas: Gurumurthy, Heintz, Martinez, Smith, Staudt, Fischer, Casey**
Nays: None

MATTERS FOR COUNCIL ACTION:

1. **Consideration of the purchase of an Automatic Vehicle Location (AVL) System through Samsara Inc via the Sourcewell cooperative purchasing contract for a three-year term of $134,439.**

City Manager Cardenas said this is a transition to a new provider or product that gives them more reliable real-time information regarding where their fleet is. For their large snow plows, it gives them a video component which is something they've only had in their public safety vehicles.

CM 26-07-087 **Moved by Martinez, seconded by Smith: MOTION CARRIED 7-0**

Approval to purchase an Automatic Vehicle Location (AVL) System with Samsara through the Sourcewell cooperative purchasing contract. The three-year contract amount is $134,439.06.

Member Gurumurthy asked what happens to the data with the system. City Manager Cardenas said with the current system, they are not keeping any of the data because none of their liaisons that have responsibilities for fleet management see any value in keeping that data for the future. It's more about the real-time information and where stuff is. There is nothing they're going to be transitioning over to the new system.

Roll call vote on CM 26-07-087 **Yeas: Heintz, Martinez, Smith, Staudt, Fischer, Casey, Gurumurthy**
Nays: None

2. **Approval of the FIRST READING of Text Amendment 18.307 to comprehensively revise the Landscape Ordinance and the Landscape Design Manual.**

City Manager Cardenas said the proposed text amendment presents a comprehensive set of proposed revisions to Section 5.5 of the zoning ordinance, landscape standards, and the landscape design manual. These updates are intended to modernize the city's landscape requirements, address identified gaps and inconsistencies, support evolving development patterns—particularly urban, multi-family housing, and advance community goals related to aesthetics, sustainability, and long-term maintenance. The author of these revisions is the beloved Rick Meader who has now officially retired for a whole week. Because he's an amazing individual, he is here to answer any questions on his own time, along with Novi's fantastic new city planner.

Member Smith said he is not in favor of reducing the number of trees required in multi-family units or taking trees down to build those things. He said he'd like to keep that up as high as they can. He likes the idea of alternatives with green roofs, green walls, rain

gardens, all that sort of thing. He thinks that's really innovative thinking and he really appreciates that. He said maybe they could find another way to incentivize that without taking down any more trees. He asked if there is a possibility of adding rain collection for irrigation. He asked if that is something they could put in the planning requirements. Mr. Meader said he supposed so, but it would get into an engineering thing in terms of quantifying what kind of capture you would do or what you would do with the water. He said that would be more of an engineering issue than a landscaping issue. He certainly understands the point of it, and it would be good to have building capture water come down. He said it would be an engineering question of how to do that and what to do with it. Member Smith said that would be something interesting to look into. He said he knows they have some rain barrels and they fill up 50 gallons in minutes, even when it isn't raining very hard.

Member Smith asked if City West is a net increase or decrease or are they staying pretty much the same in the number of trees and open spaces required. He asked if that was just a clarification. Mr. Meader asked if Member Smith was talking about just the green belt questions. Member Smith clarified that no; this was the City West. He said he thought it was a realignment of what's going in City West. Member Smith read from the packet, "Add right-of-way landscaping requirements for City West developments that weren't included in the zoning ordinance." Mr. Meader said that was just to fill in a gap that they had. When City West was adopted, they didn't have the green belt landscaping in there as a separate item on the table, so it was just to fill the gap. He said it's not really creating any new requirements other than doing what they would require for other developments. Member Smith then asked about heat islands and parking lots. He asked if they are maintaining the same ratio of cars or the same requirements of space and they're just breaking it up more so that it doesn't create as big of a heat island or are they actually reducing the number of parking spaces. Mr. Meader said in that case, the ordinance currently has a separate category for industrial landscaping. He took that out, basically, so all parking lots would have the same requirement, which is 7.5% for the first 50,000, 1% for the area above that. He said that is what that is about, just to take away the bonus for an industrial parking lot to help reduce that. He said the other thing that would help reduce the heat island effect is to add the requirement that there be a certain number of street trees between this road and the building. Right now, that isn't in the ordinance, and he thought it was a good thing to add, to have some trees breaking up the big, expansive parking lot and road that connect this.

Member Gurumurthy said she wanted to start with the maintenance agreement. She said she saw that it had been taken off because they hadn't used it. She wanted to ensure that there is owner accountability as well. She also saw in the flower box credit that they are mentioning the residents may change the planting at notice to the developers. This was a little bit confusing for her, too. She asked if there is one statement that's going to say even though they remove the agreement, that owner is responsible for the maintenance. Mr. Meader said as he understands the ordinance, section 5.5.7 requires that landscaping be maintained as part of the site plan elements. Just like a sidewalk would have to be maintained, the landscaping should also be maintained. If that is bad, it would be an ordinance issue. He said when he was in the office, he would try to go and talk to some places and ask them to replace their landscaping when they weren't doing

it themselves. The ordinance does require that, so it could be, if it got to be a problem, the ordinance could do something about that. Member Gurumurthy asked City Attorney Schultz about this. City Attorney Schultz said he doesn't think they've been requiring the maintenance agreement. He said it's not needed in order to make sure they get enforcement, and it's just sort of another step and another piece of paper to have around, so they're fine with removing it. Member Gurumurthy said the only comment was, as she had said previously, the flower box credit. There is a line item that says, "It's understood that the residents may change the plantings over the time at notice to the developers." She said she was not sure why they have that if the owner is going to take care of it. She said she just wanted to make a note to review that and ensure that they are covered.

Member Gurumurthy asked Mr. Meader to remind her that after the inspection or walkthrough, do they also do a follow-up to make sure the trees are good and everything every two to three years. Mr. Meader said yes, they have a two-year maintenance period. After two years, they are supposed to request an inspection. He said sometimes they don't. Sometimes, the city does it on their own. They hold a maintenance guarantee for two years and at that point, they go out and inspect the landscaping. They're required to bring it all up to the standard of the plan if they haven't already. Member Gurumurthy said that was good to hear. Member Gurumurthy said through this process, she learned that she knows the tree counts. She also said it's not a good thing at all when you reduce the tree count. She is also concerned about the trees that are allowed to be planted. The number. Normally, when she looks at other cities, they do some kind of extra, making sure the soil volume requirements or something to ensure that the trees that are going to be planted are even better and the soil is good. She asked if that is something they can look into insuring. She said it's the same. They don't require anything more. It's the same thing, but where you plant this in the urban development, she's hearing and seeing with the research that there could be potentially more stress on the trees. Mr. Meader said that is true. Urban trees are in a lousy situation for growing. He said they could look into that or request that they use things like silver cells or special planting techniques to make the trees live better. That's one thing he was trying to encourage with this City West. It's a big added expense to the developers, so they might not be that thrilled about it, but that's something the city could require if they had to. Member Gurumurthy said she would request that they look into it and make sure because even the trees they have, they should ensure that they are in good condition.

Member Gurumurthy said she was looking at the credit menu. She said they had the green roof, the green wall, and all those things, but she saw everything has a limit, which is good because then you can say up to 25%, you can use this to compensate for the credit, but she did not see anything for the rain gardens at all. She said when you think about it, the cost to do that, you don't want to just have the credits be replaced by rain gardens. She requested that they ensure a cap for the ones that don't currently have one, whatever the condition is, so they don't just use that one thing to replace it. She said they should think about green walls and how they're more expensive than rain gardens. They don't want to have that be that one replacement. Mr. Meader said they could certainly add caps to that. Member Gurumurthy said that would be great. Then she asked about credits. She said there are certain landscapes that are already required in

other sections or ordinances, like storm water or detention basin planting. She asked if those credits or whatever they do there will not compensate for the credits here, as in what credits they require here. Mr. Meader said yes, the table doesn't impact detention basin plantings. It impacts interior streets, street trees and multi-family unit trees which can be used around detention basins, but as he recalls, he doesn't think they had any deductions for the detention basin plantings. Member Gurumurthy said that's perfect because she thinks that's a separate thing and this is a separate thing. By doing that, they don't want to reduce this credit. Mr. Meader said he agreed with that.

Member Gurumurthy said she saw that the tree requirement is based on the ground floor dwelling units. She asked what if they built something where the ground floor is parking garages and not dwelling units? She said that is something they need to… Mr. Meader said he thinks they have wording in there that said the first floor of residential because they have had that situation before for other projects where he overstepped by saying the ordinance, but he said it's got to be the floor with residences. He said if there is one residence and twelve garages, you couldn't base that on the one residence; it had to be the first floor with residences. He thinks they reworded that in the ordinance. If not, he said they certainly could make sure that it is worded that way. She said the one that she read was a ground floor dwelling unit. She said they could go first floor, but she didn't know. They could have offices on the two floors as well. She said she would require, maybe there is an option to look at the total units in the building versus just the dwelling units.

Member Gurumurthy noted that the vertically mixed-use buildings were explicitly excluded. She asked if there was a reason why those were excluded. She added that there was a statement that said vertically mixed-use buildings are explicitly excluded from using this urban multi-family. Mr. Meader said the idea is that because it's a reduction in trees allowed, it is because it would be in areas where the city wanted increased density. That's why it's limited to the Town Center districts, the RC, and City West where the city has a desire to have increased density. If they tried to use it in a PSLR or something like that, they wouldn't be allowed to use these reduced count requirements without a Planning Commission waiver to then allow them to use those in those districts. He said it's just for specific districts where the city theoretically wants more density. Member Gurumurthy thanked him for clarifying that. She said that is excellent because they don't want them to use this reduced count in other areas outside of these specific ones. She said regarding the pocket parks in that section, it is good to see the pocket parks, but it was more intentional, kind of desired…the developments are desired for these urban family residential projects to have pocket parks. She said she would love to see, based on the number of units or square footage, some kind of pocket park required versus intentional because it'll be nice in this kind of setting. There should be some space for people or that area of green space as well. She said if they don't require it, but make it more desirable, it might not happen. Mr. Meader said that is true and he wants them, too, but he thinks it should be dealt with more during the planning, the open space requirements versus the landscaping, which is typically trees and plants, and how many should be in an area, etc. He said the actual setting up of pocket parks, the sizing and requirements, that's more in the open space requirement for planning. He said they talked about pocket parks, but as far as the actual requirements, he thinks it's more a

planning issue than a landscape issue. Ms. Lindsay Bell said the residential districts that allow multiple family do talk specifically about the number of square feet of open space per unit. There is a lot of coverage of that in the City West district, in the Town Center district, in the RM1 and RM2 districts that allow those multiple family and even in the PSLR overlay. That is really covered in those general requirements or development standards and not specifically in the landscape ordinance. Member Gurumurthy said once she saw that, she was thinking. As long as it's covered, because it'll be nice to see those than just buildings. She said somehow, instead of the desirable, somehow they should ensure that it falls within that. As long as it's covered, she said they are good. Maybe down the road, they think of some kind of metrics or something like that. One last thing was with respect to the canopy coverage in parking lots, they look at number of trees versus the percentage of shade coverage. That's something she'd like to think if they can do something like that because maybe you can have so many trees, but the shade is less. Mr. Meader said they'll look into doing that.

Member Heintz asked Mr. Meader if he would give a brief background and describe the purpose of this and the benefits of these changes for this. He said he was assuming it's a combination of requests for waivers from developers. He asked if this is meant to be an overall net positive for everyone. Mr. Meader said the initial idea for the urban multiple family unit was brought up by Gary Becker, the planning commissioner at the time, because the City of Novi was dealing with the towns of Main Street, which had a lot of density, and because of that, had a lot of shortages of trees. There was not physically room for the trees that were required. So, there were a lot of waivers required for that project. When there are projects that the City wants with increased density, Mr. Becker requested that they have some different standards for it to allow the developer to know going into it what he or she is getting into and how they can make a good development using the ordinance that they have in place for that type of development. It wasn't meant to give a break to developers, rather, it was intended to give an alternate standard for developments that are high density and desired by the city to be high density. That's where it came from. He said they tried to do things like instead of having three trees per unit, you have one and half or one (he forgot which ratio it was). He said you also have an additional requirement for more shrubs that fit in spots better in a tight development than a canopy tree can. The idea was not to completely just hack the requirement and have nothing else, but to have some alternatives that would create a nice-looking development that doesn't have the same number of trees as a standard development that they would want other places in the city to have.

Member Heintz asked with these targeted, high-density zones, is there a way to estimate how many trees this could potentially be. He said if this ordinance is adopted, in these high-density zones, if a developer chooses to use pollinator gardens, green roofs, green walls or anything like that, that might make a difference in x number of trees. He asked if it is easy to estimate what that range would look like. Mr. Meader said it's pretty much impossible because every development will be different in what they choose to use, if they choose to use any of them. He said they do have maximums for the reduction. He said, for example, a developer has a project and they want to just do green roofs to take 25%, you have maximum of 25% of the street trees it could be and those would be interior trees, not green belt trees, but interior trees that could be not planted in order to do

green roofs on this. You basically have to look at the maximum, but you're not going to have all of them meet the maximum, he thinks. In cases like pollinator gardens, it would take out a multi-family unit tree versus street tree, so it would be a different pot, in fact, that it's taken out of. It would really depend on the development itself, what they could do, what they wanted to do. That's why they set the upper limit, so at least it's not a complete…you're not going to be looking at a stripped-down development that has green roofs. The idea was to create some incentive to do some new things, and it would be rare for them to limit exactly the number of trees. He thinks it would be hard practically to do that, but at least they would start to use these green development things and maybe other people could see that they are feasible. He said right now, when they suggest it to people, they kind of discard it. With this, they're trying to give a little incentive for them to at least think about it. Member Heintz said he appreciates that they're encouraging people to be more innovative and not simply have developers come to Council with the same, "Oh, here, we're going to do this design. I know you guys saw this for the last presentation, but we're going to just plug the same thing in again." He appreciates the encouragement of innovation, and hopefully, people will be responsive to that. Overall, Member Heintz asked Mr. Meader if he thought this is a net neutral or a net positive if more green stuff like different plant materials, trees and shrubberies and everything combined. Mr. Meader said he believed it would be a net positive in terms of the quantity. He said the 700 square foot number came from the area of a 30' canopy tree, which is their minimum requirement for a tree. A tree wouldn't get to that size until 20-30 years into its life. In fact, for a while, you're going to have more benefit than you would have from that square. He said if you plant a new tree, it's going to be maybe seven-foot in diameter in canopy versus 30 feet. For a while, you're going to be benefitting. In the end, you might be short because of it, like an oak can get really huge. In the end, he thinks you will not be losing out. He thinks you'd be neutral, if not benefitting. Member Heintz said that's great to hear.

Member Heintz said he knows it's hard to match everything with its importance with the city's need versus its environmental impacts or other features. He asked Mr. Meader if he would say that there would be some areas in general or some things that might be more important than needed, say the rain gardens, the pollinator gardens, or the green rooftops or is everything Mr. Meader listed better to leave as is. Mr. Meader said it comes down to preference. He thinks the idea of having more pollinator gardens would be a really good thing for a development, just for the wildlife impacts, but not everyone feels that way. He said it's an aesthetic thing as well as an ecological thing. Other people might want to have more massive shrubs just because it has a more architectural look. Either way, you're going to have some benefits of increased diversity, but it really is kind of an aesthetic choice what they want to do and what you think is more important. Member Heintz said that is a fair point. He said Council does not get to tell a developer exactly what it should look like, but if nothing else, they can encourage the developers with these different options. One thing he noticed that wasn't modified or edited was the percentage of native species. He asked Mr. Meader if he thinks there would be, similar to the incentive structures with the other pieces, a potential benefit or opportunity if a developer were to have a higher percentage of native species, would there be an incentive-like structure for that or would that be something that would just be not ideal. Mr. Meader said he did not want to do that, not because he doesn't think using more

native species is a good idea, but because physically, there isn't a lot of difference between a massive same square footage of shrubs or black-eyed Susans or whatever. He was trying to not overdo the physical impact of reducing trees and things more than he already was with this table. He said he didn't have a really good response for that one. Member Heintz said that was ok, he was just tossing out ideas. In the end, he appreciated it. He said it was awesome to hear that their view is that this is at least neutral, if not a net positive in the green aspect.

Mayor Pro Tem Casey thanked Mr. Meader and she thanked Ms. Bell for taking her time off to come see Council. She asked Mr. Meader about the idea of the flower boxes. She said she wanted to follow up on the line of questioning Member Gurumurthy was asking him. In terms of maintenance on the flower boxes, she asked if this is new for the city to add flower boxes on to one of their ordinances in terms of…Mr. Meader said yes. Mayor Pro Tem Casey said she didn't remember seeing it before. Mr. Meader said it's new. Mayor Pro Tem Casey asked what level of communication they should be requiring of the developers when they turn over…she said she's assuming these are going to be owned, not rented. Regardless, when the developer turns over the development to whomever takes over as the owner, the HOA, or whatever, what level of communication should they be expecting of that developer to communicate that the flower boxes are required to be maintained by whomever is residing in the place that has a flower box. She said the reason she was asking that was because if they're going to then be going back out and doing code review and sending letters to people who are going to be surprised that they had a requirement to maintain said flower boxes. City Attorney Schultz said that's a good question. He said they'll consider it. He said it's more of an implementation, post-adoption of the ordinance question, but it's a good point. Mr. Meader said that's a tough one. He said he'll admit that when he suggested it, he realized that would be a problem. He said you could potentially have a sea of dead or weedy boxes, so it may be something they think is not worth implementing. He was inspired by a trip he took to Paris. They had all these flower boxes and they looked really good. It was also a way for developments, when there's a sidewalk to the building, to add some aesthetic and other appeal to a site without having to make them take out sidewalk for planter boxes. It was aimed at that.

Mayor Pro Tem Casey said she loves the idea. As they've had conversations at the dais before about making sure expectations are known once Council approves something, the resident, or whoever is going to be living in that space, knows that there's an expectation that they maintain it. She said someone like her might opt to put plastic flowers in there if they don't have a "green thumb," but as long as the expectation is clear, she loves the idea of keeping it in. She was not advocating to remove it at all.

Mayor Pro Tem Casey said her next question is in the multi-family section, looking at options for credit, down at the natural area preservation, letter H. Everything else prior to H has an if A, then B. If you do the rain garden, then you get this much for B (whatever the calculation is). When she read section H, it talked about the preserved trees and there was a bit of an if A, then B. Then they talked about if there's mulch or limestone compliant pathways or natural ground cover or these invasive species, and she didn't see how the credit was going to be applied there. She asked Mr. Meader what she is

missing when she reads that section. Mr. Meader said the idea there was there were no extra credits for the pathway. To utilize this credit, you need to make a useful and maintained space so the residents would have a place to go. It wasn't a tree for a pathway. It was just a matter of, and again, it may not be something that people ever use. He wanted to throw it out there to encourage people to save a little patch of trees that are big and get some credit for it rather than just take it down. Currently, they don't get any credits for saving regulated trees. They get credits for saving non-regulated trees but not regulated ones. The landscape design manual offers credits for that, but not for preserving a little patch, or hopefully, a big patch, where people could enjoy the natural situation versus a planted courtyard. Mayor Pro Tem Casey clarified for her own understanding, if someone were to put in a pathway, is that just part of the inherent nature of them getting a credit or is that just the city asking for a recommendation? She explained the reason she was struggling with this is because everything listed above it is, "If A, then B" until you get to H and 2, 3 and 4 have no "If A, then B." She was trying to figure out how they're giving that instruction to a developer so they understand that what the city is asking for is a measure of this to have a benefit back to them a little bit. Mr. Meader double-checked the document and said basically, that is a requirement to get those credits, that you would create a pathway or something in order to do this. He said it includes the maintenance of the area and removing the invasive species. The idea is to create and preserve a healthy, natural situation that people can enjoy. He said it's a requirement in order to get these credits. Mayor Pro Tem Casey asked if it is additive, meaning if they do A, they have to do part of H. She said perhaps she was belaboring the point too much. Mr. Meader said they're all standalone things. They could choose to do nothing else except preserve their natural area under H. He said the other items are all standalone items. There is no requirement that they do one if they do the other. Mayor Pro Tem Casey said maybe there needs to be a little bit of clarification in that language, so people understand. She said she thinks there's an opportunity for just a little bit more clarification and specificity there. City Attorney Schultz said they can look at the numbering there and understood her point.

Mayor Pro Tem Casey said generally, when they do a first reading and then go to a second reading, the number of changes are minimal. When they approve a first reading, they might make some minor changes, and then when it comes back for the second reading, it's not something that she feels needs to be discussed again. She said she's beginning to sense that maybe there's enough conversation at the meeting that maybe the best course of action is to postpone, let them make the edits and then come back again for a first reading as they have done in the past. Ms. Bell said yes, they could do that. Mayor Pro Tem Casey said what she doesn't want is for them to make the significant changes Council had given them only to come back to Council and have more significant changes in a second reading without that attempt.

CM 26-07-088 **Moved by Casey, seconded by Gurumurthy: MOTION CARRIED 7-0**

Postpone the first reading of Zoning Ordinance Text Amendment 18.307 to amend Section 5.5 to comprehensively revise the Landscape Ordinance and the Landscape Design Manual.

Roll call vote on CM 26-07-088 **Yeas: Martinez, Smith, Staudt, Fischer, Casey, Gurumurthy, Heintz**
Nays: None

3. Approval of resolution to authorize Budget Amendment #2027-1

City Manager Cardenas said this recognizes changes Council approved at their last meeting for the out years. This item approves the changes for the current year, increasing the fund balances previously shared, and sets out the city's direction for those out years and the changes that they need to make in the budget to balance it out.

CM 26-07-089 **Moved by Casey, seconded by Heintz: MOTION CARRIED 7-0**

Approval of resolution to authorize Budget Amendment #2027-1.

Roll call vote on CM 26-07-089 **Yeas: Smith, Staudt, Fischer, Casey, Gurumurthy, Heintz, Martinez**
Nays: None

4. Approval of Proposed Water & Sewer Rate Resolutions for 2026-2027

City Manager Cardenas said every year, staff come to City Council with proposed water and sewer rates. This is that time as they set rates for the next year. City staff is proposing an increase to pass along the increases that are being done by Great Lakes Water Authority and the Water Resource Commissioner. Additionally, the increase supports the capital necessary to support several projects to maintain the city-owned infrastructure. An average user will see about 6.4 increase to their bill.

Ms. Farris said she would give a brief explanation of how to calculate the rates, a process they go through annually. She said when going through the process, you look at the financial needs of the city and the water and sewer fund. Each year, the city receives, they pay their suppliers. She said they have GLWA which is Great Lakes Water Authority and also Oakland Water Resource. Sewage is from Novi Sewage Disposal and Huron Rouge Sewer Disposal System. The City reviews all the rates and the pass-through costs. Then, during the budget process, you look at what are the needs for their infrastructure and the water and sewer fund. You take all that information, and they have to make sure that they can pay those costs that are passed to them as well as support the cost for operating their water and sewer. So, after they calculate that, they use a really nice analytical tool that is data-driven that gives them numbers on where they need to be to be able to have the amount of resources and cash flow to pay their suppliers as well as to provide the service to their residents. So yes, there is an increase proposed. They are asking for a 9% increase for water and a 9.5% for sewer. She said that does sound on a number percentage-wise large. However, it's a 6.4% overall which is in line with being able to have the amount of reserves that they need as well as providing services and maintaining their capital assets and infrastructure.

Ms. Farris said she knows there was a question earlier regarding fixed rates and variable rates. The fixed rate is the rate that they pay on a fixed amount, same quarterly, as well as the variable rate is the amount that the actual consumer or the resident uses. As they consume more, they use more, that rate will go up. She said in Council's packet, it shows an example of the average user. For example, a user will see, as they stated in their memo, 6.4%; however, if you are looking at it on a quarterly basis, it's about $18.04. On an annual basis, it's around $72.16. Considering all the increases that are passed on to them, GLWA's increase was 5.62% and for their operating, their maintenance, all their supplies and paying their suppliers, it was 3.38%. That makes up their 9%. Considering with the rate inflation, it's pretty in line with their increase to their residents.

Member Gurumurthy thanked Ms. Farris for being there. She said she appreciated the responses earlier with the rates. There is this whole fixed and variable rate for the GLWA. She asked if the 5.62 that they're doing is for the fixed or the variable. Ms. Farris said they do a 60/40 methodology blend. It's how they calculate the rates. It's both of those combined. The 5.62 is what they're passing down to the city combined. Member Gurumurthy clarified that it will apply to both the fixed and the variable numbers for Council. Ms. Farris said that is correct. They combine it and say, "Okay, this is your overall rate that we're passing to you." Member Gurumurthy said then the 9% increase includes the 5.62 and the remaining amount is for…Ms. Farris said that is correct. It's for the operations for the water and sewer fund for the city. Member Gurumurthy asked if the 9% applies to both the fixed and the variable numbers for the water. Ms. Farris said the 9% is for water and then 9.5% is for sewer. Member Gurumurthy asked for each, like water, does it apply to both the fixed rate and then the variable rate as well, the rate increase? Ms. Farris said yes. Member Gurumurthy said where she was thinking maybe this is not for this year, but maybe what she'd like to see is just a simple table where you have the fixed rate and the variable rate and then the increases that apply whether it applies on the fixed and variable or just the variable. That's where she was a little bit lost earlier. Ms. Farris said she will have to mention that in her memo, too, the best practice is to go out to bid to do a water and rate study. That is a pretty intense collection of data, a lot of reviews of their infrastructure and needs. Once that is done, and they go out to bid, that will potentially provide a lot of detail that would answer some of the questions and they'll look at all of those rates. She said the fixed rate has not been raised in a few years. *Potentially* next year, the fixed rate will be increased based on the needs of the city. Member Gurumurthy thanked her for clarifying that. She said she thinks it will be helpful for them to have that information so they can share because she is sure people are going to ask. She requested that if they could have a clear way to explain that that would be great because the math was not adding in her head.

Member Heintz said he appreciated her explanation. He asked if he understood her correctly, did she say that because the average rate of an increase is going to 6.4, but that's a variable increase based on the usage. He asked if someone uses less water than the average amount of water, would they have a smaller percent increase? Ms. Farris said for an example on the water bill, yes. She said they'd just say that across the board. The less water you use, the less amount that you're going to pay for that variable rate. The example that was in the packet was for 20,000 gallons. She said they're just going to say that that sample resident that uses 20,000 gallons on a quarterly basis based on using, so

their fixed rate is $30 for sewer, their fixed rate for water is $56 and then that's where you have that variable rate. So, yes. She said to answer his question, the more water you consume, the variable rate will change. Member Heintz asked if that variable rate is known. He asked if the average user will have a 6.4% increase, what's the range on that? Is it a few percentage points or how big is that range? She said based on her understanding, there is always a minimum use. So if a 20,000 gallon is a minimum use user, then that would be the cost. She said she hopes that's what he was asking. Member Heintz said if he was understanding it correctly, is it if someone who's using more water will have a larger percent increase in their water bill? Ms. Farris said correct, the variable rate will change and the fixed will stay the same. Member Heintz said that means that their water bill would be above a 6.4% increase. It would be x percent increase. He said he was trying to understand what that x would be. Ms. Farris said it depends on how much they exceed over 20,000 gallons. She said they can provide calculations on that, but the more that you use and consume, the higher. She said they know that, for example, it's 5.97 for…She said it's a hard question to answer because she thinks it's just based on how much usage. She said yes, she would confidently say if you use more water, it would be higher than a 6.4% increase. The simple take home message for the residents is water conservation and using less water is in their best interest for this.

CM 26-07-090 Moved by Casey, seconded by Smith: MOTION CARRIED 6-1

Approval of Proposed Water & Sewer Rate Resolutions for 2026-2027

Roll call vote on CM 26-07-090

Yeas: Fischer, Casey, Gurumurthy, Heintz, Martinez, Smith
Nays: Staudt

CONSENT AGENDA REMOVALS: None

AUDIENCE COMMENT: None

COMMITTEE REPORTS:

1. Long-Range Strategic Planning Committee - Mayor Pro Tem Casey

Mayor Pro Tem Casey teased they hadn't talked in quite a bit, so she was going to take about 20 minutes and get everyone caught up. Since they spoke last, they've had two public workshops to date and they have a third one scheduled for August 18th. The start time is going to be in the 6:00 hour, a little more TBD, but she said to keep an eye on their calendar for more information. Their committee is meeting itself on the 20th where they're going to get an update from Shockey on the output of their most recent workshop which was a couple of weeks ago and some of the survey data that they have to date. Their plan is to ask Assistant City Manager Mahoney to come into their Council meeting on July 27th and give Council a presentation on everything they've learned so far. This will update Council on everything they've heard from residents and then they can start to see the way forward for their next steps in terms of how the plan and the recommendation is starting to be built out. She said there are a couple of things that she

thinks are of interest to Council before that conversation happens in a couple of weeks. That is just what they're hearing from residents. They had 20 people at the meeting at their workshop a couple of weeks ago and one of the things they asked residents for feedback on was a draft vision statement. She thinks the most interesting thing that came out of that that they've heard in their public sessions previously is a really strong interest and an opportunity for them to focus on belonging, identity and what makes Novi unique. When they had their meeting and they presented this draft vision statement, the feedback they got was, "That's a really good vision statement, but that could be anybody." She feels like the opportunity exists for them to really understand what people, what their residents think makes Novi unique and then use that in their planning. That is why the survey that is currently live on their site (cityofnovi.org/novi2050) is about community identity. They're trying to pull the string and understand from people what it means to live in Novi. They want to know why people are here. They are asking why residents think people will want to come to Novi. What can they do to build out the community to make it unique and make it something that will attract people to them? She said there will be more to come on that topic. She brought it up not because she thinks it's on them to come up with what that is and what any future potential mission statement will be, but really just to level set people that that is really what has come to the top. She said of course, they're hearing about housing, mobility and about people wanting to make sure that the services that the city offers in the future are based on the needs of residents, just as they are today. The ideas of belonging, identity and uniqueness really struck her and she sees this as a real opportunity for them as a community going forward. She said they'll be meeting on the 20th as a committee and then they'll come back to Council with a fuller presentation about the actions of the committee. From there, they'll see the development of the plan carrying forward. Their target right now is to be done with the plan in October with a final presentation of the plan and adoption of the plan by Council in October. They are staring down towards the edge of the timeline pretty quickly. She said there is more to come, but she wanted to leave Council with those thoughts and the most current information as they're receiving it from residents.

2. Public Utilities and Technology Committee – Council Member Gurumurthy

Member Gurumurthy said they had a long Public Utility Committee meeting at which the DTE was present. Liz, the Regional Manager for Oakland County, was there. They had a couple of engineers there as well. They've been tracking the list. Thanks to Rob and his team, they've been tracking the list of power outages internally. They have been able to share this information with DTE so they can find out the root causes. First, they looked at the overall performance. She thinks the committee was extremely clear on more than the 99.97% up, they wanted to look at the .03%, the percentage who are down and have been down with power outages and dive into more details like how frequently they are happening and why, what equipment might be causing it, etc. She said she thinks the committee explained it and it was very clear to them. That was one of the action items that they took. With respect to specific addresses, she knows they literally had addresses with specific information on what cause. Most of it was trees and weather related. They talked a lot about Member Martinez's neighborhood and that whole area a lot. She said thanks to Member Martinez, he got notifications when they happened exactly, so he was

going to collect more address-specific data and send it to DTE. One of the things that they asked DTE was to be informed about the age of the equipment in that area. That's an action item they asked them to bring back. She said it's not just about what happened exactly on the outage. They also want to know what supplies power over there. They don't need names, but at least the power and the ages of that equipment. They mentioned the tree-pruning schedule which is normally performed once on a five-year cycle. The next cycle in Novi will begin in early 2027. The committee requested that they look for pre-pruning that schedule. They were going to talk to the tree pruning team and come back to the committee. They talked about the business, Novi Athletic Club. Unfortunately, they did not have immediate information because of the address being in some other. They took an action item to give us more details about what's happening with the outages that happen more frequently. They did note that some were due to animal intrusions and now they are planning to put an animal barrier in that area soon. "Soon," they mentioned, means within the next three weeks. She said that was a good sign and they would track that. She said that was all about DTE. They're going to have this more frequently and they're going to keep track of addresses of outages as well.

Member Gurumurthy said next was fiber. Thanks to Rob and his team, they have a very nice map of Novi with information about fiber providers. He's been updating it as they go. This map is produced with data from permitting applications more than anything and field verification by the City of Novi staff as well, which is really good. Based on the work that's going on and talking to the different fiber providers, 79% of single-family homes will have access to fiber by the end of 2028. That's the data they got, so, hopefully, fingers crossed, they continue to do that. The last item Member Gurumurthy mentioned was the GLWA 14 Mile Project update. The paving operations are progressing. Weather permitting, paving should be complete by mid-August.

MAYOR AND COUNCIL ISSUES: None

COMMUNICATIONS: None

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 8:44 P.M.

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Cortney Hanson, City Clerk

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Transcribed by Diana Charles
Customer Service Representative

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_____
Justin Fischer, Mayor

Date approved: July 27, 2026